

Department of Energy

§ 781.71

(1) The license has tended substantially to lessen competition or to result in undue concentration; or

(2) The licensee has not taken effective steps, or within a reasonable time thereafter is not expected to take such steps, necessary to accomplish substantial utilization of the invention.

(b) Upon receipt of such a petition, the Board shall forward a copy of the petition and supporting documents to the General Counsel, ATTN: Assistant General Counsel for Patents. The General Counsel shall then forward a copy of the petition and supporting documents to the licensee, who shall have thirty (30) days from receipt of the petition to submit a response thereto together with any supporting documents and affidavits. The General Counsel shall then make a preliminary review of the petition, response, and any supporting documents or affidavits to determine whether a hearing on the matter is justified. If the General Counsel finds that a hearing on the matter has been justified, he shall so advise the Board in writing.

(c) If the General Counsel finds that a hearing has not been justified by petitioner, he shall so find in writing. The General Counsel shall promptly notify the Board and the petitioner of the finding. The petitioner may appeal this finding by filing a Notice of Appeal with the Board within thirty (30) days of the date of the mailing of the finding by the General Counsel. The Board shall review the finding concerning petitioner's justification for a hearing, and shall uphold the finding of the General Counsel unless petitioner can demonstrate that the finding was arbitrary, capricious, or an abuse of discretion. If the Board reverses the finding as to the justification for a hearing, the petition shall be heard by the Board in accordance with the procedures outlined in paragraph (d) of this section.

(d) When it has been determined, in accordance with paragraph (b) of this section, that a hearing is justified, the Board shall so notify the petitioner and the licensee, and the Board shall publish a Notice in the FEDERAL REGISTER advising the public that a hearing is to be scheduled. The Notice shall describe the subject matter of the hearing and

shall advise of the right of any interested person to file a petition with the Board, within thirty (30) days of the Notice, showing cause why he should be added as a party to the hearing. The Board shall, in its discretion, determine who should be added as a party.

(e) Any party shall have the right to request a full evidentiary hearing on the matter. In lieu thereof, if the parties agree, the matter may be decided at an "informal" hearing in which no party has the right to call and cross-examine witnesses, but in which the parties have the right to present oral argument to the Board to supplement briefs, affidavits, and other documentary evidence that may have been submitted. Any hearing and related procedures shall be conducted pursuant to the Rules of Practice of the Department of Energy Board of Contract Appeals, 10 CFR part 1023, modified as the Board may determine to be necessary or appropriate.

(f) If petitioner alleges that the exclusive or partially exclusive license has tended substantially to lessen competition or to result in undue concentration in any section of the country in any line of commerce to which the technology relates, the petitioner shall have the burden to prove the allegation by a preponderance of evidence.

(g) If petitioner alleges that licensee has failed to accomplish substantial utilization of the invention and has presented sufficient proof, in accordance with paragraph (b) of this section, to justify a hearing on the matter, the licensee shall have the burden to prove, by a preponderance of evidence, that he has taken effective steps, or within a reasonable time thereafter is expected to take such steps, necessary to accomplish substantial utilization of the invention.

(h) The Board shall make findings of fact and render a conclusion of law with respect to the challenged license. The conclusion of the Board shall constitute the final action of the Department on the matter.

SPECIAL PROVISIONS

§ 781.71 Litigation.

(a) An exclusive or partially exclusive licensee may be granted the right

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to sue at his own expense any party who infringes the rights set forth in his license and covered by the licensed patent. Upon a determination that the Government is a necessary party, the licensee may join the Government of the United States, upon consent of the Attorney General, as a party complainant in such suit. The licensee shall pay costs and any final judgment or decree that may be rendered against the Government in such suit. The Government shall have the absolute right to intervene in any such suit at its own expense.

(b) The licensee shall be obligated to furnish promptly to the Government, upon request, copies of all pleadings and other papers filed in any such suit and of evidence adduced in proceedings relating to the licensed patent, including but not limited to, negotiations, agreements settling claims by a licensee based on a licensed patent, and all other books, documents, papers and records pertaining to such suit. If, as a result of any such litigation, the patent shall be declared invalid, the licensee shall have the right to surrender his license and be relieved from any further obligation thereunder.

§ 781.81 Transfer of custody.

The Department may enter into an agreement to transfer custody of any patent to another Government agency for purposes of administration, including the granting of licenses pursuant to this part.

PART 782—CLAIMS FOR PATENT AND COPYRIGHT INFRINGEMENT

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AUTHORITY: Dept. of Energy Organization Act; sec. 651, 91 Stat. 601, 42 U.S.C. 7261; Atomic Energy Act of 1954; sec. 107(d), 88 Stat. 1241, 42 U.S.C. 5817(d); sec. 161(g), 80

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Stat. 443, 42 U.S.C. 2201(g); sec. 172, 62 Stat. 933, 42 U.S.C. 2223; Foreign Assistance Act of 1961, sec. 2356, 75 Stat. 440, 22 U.S.C. 2356; Patents, Invention Secrecy Act; sec. 183, 66 Stat. 4, 35 U.S.C. 183; Judiciary and Judicial Procedure Act, sec. 1498, 62 Stat. 601, 28 U.S.C. 1498.

SOURCE: 45 FR 26950, Apr. 22, 1980, unless otherwise noted.

Subpart A—General

§ 782.1 Purpose.

The purpose of this regulation is to set forth policies and procedures for the filing and disposition of claims asserted against the Department of Energy of infringement of privately owned rights in patented inventions or copyrighted works.

§ 782.2 Objectives.

Whenever a claim of infringement of privately owned rights in patented inventions or copyrighted works is asserted against the Department of Energy, all necessary steps shall be taken to investigate and to settle administratively, to deny, or otherwise to dispose of such claim prior to suit against the United States.

§ 782.3 Authority.

The General Counsel or the General Counsel's delegate is authorized to investigate, settle, deny, or otherwise dispose of all claims of patent and copyright infringement pursuant to 42 U.S.C. 2201(g), 2223, 5817(d) and 7261; the Foreign Assistance Act of 1961, 22 U.S.C. 2356 (formerly the Mutual Security Acts of 1951 and 1954); the Invention Secrecy Act, 35 U.S.C. 183; and 28 U.S.C. 1498.

Subpart B—Requirements and Procedures

§ 782.5 Contents of communication initiating claim.

(a) *Requirements for claim.* A patent or copyright infringement claim for compensation, asserted against the United States as represented by the Department of Energy under any of the applicable statutes cited in § 782.3, must be actually communicated to and received by an agency, organization, office, or